

2011

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Keep Your Client's Retirement Plan in Compliance

Tax Exempt and Government Entities
Employee Plans
2011 IRS Nationwide Tax Forums



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Retirement Plans - Categories

Defined contribution

–IRA-based

Defined benefit

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Fundamental Plan Requirements

Established by an employer

Written form

Valid trust

Communicated



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Fundamental Plan Requirements (Continued)

Permanent and continuing
Exclusive benefit
Reversion of assets



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Other Plan Requirements

Eligibility

- Age and service requirements

Vesting

Distributions

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Amending Plans

Types of amendments

- Interim
- Discretionary

Resources



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Tax Effects of Disqualification

Contributions – taxable!

Distributions – ineligible for
rollovers!

Trust earnings – taxable!



**ATTENTION:
PLAN
SPONSORS!**











**EMPLOYEE PLANS
COMPLIANCE RESOLUTION
SYSTEM**

The EPCRS Menu

What's Your Choice?

The impact of
non-compliance left unchecked
can be costly.

**Preventive Maintenance –
Fix Mistakes Immediately!!**

	Audit CAP	Voluntary Correction	Self- Correction
Cost of Correction			
IRS Fees			\$0
Time Involved			
Result			

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Roth IRA: Rollovers/Conversions

Rollovers and conversions
Recharacterizations &
reconversions
Tax issues & calculations

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Rollovers: Plan's Roth Account

Definition

Tax issues

- Special 2010 rules

No recharacterization



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Rollovers as Business Start-Ups (RoBS)

Caveat Emptor

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Free Resources for Retirement Plans

www.irs.gov/retirement

(877) 829-5500 or

RetirementPlanQuestions@irs.gov

*Retirement News for Employers &
Employee Plans News*

Attend Goldilocks and Retirement
Plan Contributions

Questions?

